

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP
SEPTEMBER 1, 2010**

DIRECTORS PRESENT

Mike Safranski, Committee Chair
Glenn Acosta, Committee Alternate

STAFF PRESENT

Don Chadd, General Manager
Teresa Teichman, District Secretary
Karen Warner, Accounting Technician
Michael Perea, Special Projects Manager

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Safranski called the September 1, 2010 Finance/Audit Committee Meeting to order at 7:01 a.m.

VISITOR PARTICIPATION

Public comments were announced. No comments were received.

ORAL COMMUNICATION

Oral communication was announced. No comments were received.

COMMITTEE MEMBER COMMENTS

There were no Director comments

REPORT FROM THE GENERAL MANAGER

General Manager, Mr. Don Chadd, discussed the upcoming District landscape project with the Committee. TCWD field staff has removed all remaining grass from the front parking lot area and will be re-landscaping with an assortment of rocks, boulders, succulents, and drought tolerant plant species in order to provide further examples

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of alternative landscape designs which incorporate water conservation practices.

FINANCIAL MATTERS

ITEM NO. 1) FINANCE/AUDIT COMMITTEE MEETING RECAP

The August 4, 2010 Finance/Audit Committee Meeting Recap was presented to the Committee. No changes were made.

Recommendation: *The Committee recommended that the August 4, 2010 Finance/Audit Committee Meeting Recap be received and filed by the Board. (Consent Calendar).*

**ITEM NO. 2) RATIFICATION OF DIRECTORS' FEES AND EXPENSES
AND FUTURE MEETINGS**

The Committee reviewed this matter.

Recommendation: *The Committee recommended that the Board ratify the Directors' expenses for July 2010 and fees for August 2010. (Consent Calendar.)*

**ITEM NO. 3) DISCUSSION REGARDING BAKER WATER
TREATMENT PLANT (WTP) FINANCING OPTIONS**

Mr. Chadd advised he and staff met with the General Managers and staff from the El Toro Water District (ETWD) and the Irvine Ranch Water District (IRWD) last week to explore financing options for the Baker WTP. Mr. Chadd provided information regarding rates and terms from ibank along with terms presented by IRWD.

Committee Chair Safranski asked if there is any grant funding available for these types of projects.

District Engineer, Mr. Hector Ruiz discussed the South Orange County Regional Integrated Management Plan but was not sure if this project would qualify. Mr. Chadd stated staff would look further into grant qualifications and recommended, in the meantime, moving forward with securing solid financing quotes.

Recommendation: *The Committee recommended presenting expanded information to the full Board. (Action Calendar).*

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**ITEM NO. 4) STATUS UPDATE RELATING TO WATER MONITORING
AND WATER CONSERVATION EFFORTS**

Mr. Chadd reviewed information prepared by MWDOC.

Mr. Chadd advised the Committee that the duties of Water Conservation Coordinator have been transitioned to Michael Perea, Special Projects Manager.

Recommendation: *The Committee received and filed the status update. No action necessary.*

ITEM NO. 5) OTHER MATTERS

Mr. Chadd advised he has been working with staff and TCWD's outside accounting consultant to develop protocol for documents sent on behalf of TCWD.

Recommendation: *The Committee received the information and recommended forwarding to the Board. (Action Calendar).*

**ITEM NO. 6A) PRESENTATION OF JULY, 2010 UNAUDITED
FINANCIAL STATEMENT**

Mr. Chadd reviewed the July 31, 2010 preliminary unaudited financial statement. Information was reviewed including total assets, liabilities and retained earnings, WRES balance demonstrating a dedicated revenue source, and investment schedule.

Mr. Chadd advised accountant now produces a monthly report which details monies collected through the monthly WRES fee.

Recommendation: *The Committee recommended that the Board receive and file the July 31, 2010 preliminary unaudited financial statement, as presented. (Consent Calendar).*

ITEM NO. 6B) BILLS FOR CONSIDERATION

The bills for consideration were presented.

Recommendation: *The Committee recommended that the Board ratify payment of the September 1, 2010 bills for consideration in the amount of \$852,313.96 and the August 2010 payroll in the amount of \$157,363.48, as presented. (Consent Calendar).*

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ADJOURNMENT

Committee Chair Safranski adjourned the September 1, 2010 Finance/Audit Committee Meeting at 7:43 a.m.